



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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November 25, 2015

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai
Chief Executive Officer

A handwritten signature in black ink, appearing to read "Jim Jones for", is written over the printed name and title of Sachi A. Hamai.

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

PRELIMINARY REPORT ON CALIFORNIA AIR RESOURCES BOARD "CLEAN CAR" REBATES AND VEHICLE REPLACEMENT FUNDING (ITEM 54E, AGENDA OF SEPTEMBER 29, 2015)

On September 29, 2015, your Board instructed the Chief Executive Officer (CEO) and the Director of Internal Services (ISD) to take all necessary steps to accelerate County vehicle replacement by using at least 50% of the \$5,791,000 appropriation in Supplemental Budget Adjustment No. 61 to replace aging County vehicles in fiscal year (FY) 2015-16, and submit a report in 30 days that provides the following:

1. A report on maximizing all available California Air Resources Board "clean car" rebates and/or other purchasing subsidies and rebates in FY 2015-16.
2. A recommendation on a potential funding level for vehicle purchases in FY 2016-17, considering "clean car" rebate availability, average vehicle age and other County commitments and obligations.

Overview

This report provides an update to your Board on the County's effort to maximize the number of "clean car" rebates received for qualifying vehicle purchases. ISD has

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identified and is leveraging all available rebates for FY 2015-16 vehicle purchases in 2015. CEO and ISD are working together on a purchasing and funding plan for maximizing future rebates using FY 2015-16 and FY 2016-17 funding.

“Clean Car” Rebates

The California Air Resources Board (CARB) currently offers clean vehicle purchase rebate incentive programs for purchase of eligible clean, zero-emissions vehicles in order to facilitate the achievement of state greenhouse gas emissions reductions goals. Public agencies are eligible for the following two rebate programs:

- ***Public Fleet Pilot Program (PFPP)*** – This targeted incentive program offers up to 30 rebates per calendar year to public agency fleets that are unable to take advantage of federal tax credits for new clean vehicle purchases. Leased vehicles do not qualify for this rebate. This program also requires the vehicles to be used in disadvantaged communities to immediately reduce air pollution emissions in these communities. Rebates for plug-in hybrid electric vehicles are \$5,250 per car.
- ***Clean Vehicle Rebate Program (CVRP)*** – This program offer up to 30 rebates per calendar year to public agency fleets. The rebates are limited to eligible new purchased or leased clean vehicles. Rebates for plug-in hybrid electric vehicles are \$1,500 per car.

Vehicles may only receive one rebate from either program and must be retained for at least 30 months. Rebates are available until funds are exhausted each fiscal year and are distributed on a first come first serve basis. Public agencies are identified by their Federal Tax ID number. The County of Los Angeles is treated as a single entity under the rebate programs.

Each calendar year there is a total of 60 potential rebates available to the County which includes 30 PFPP rebates and 30 CVRP rebates.

In calendar year 2015, the County has already received a total of 14 PFPP rebates for plug-in hybrid electric vehicles which totaled \$73,500.

ISD is currently working with departments to maximize the number of additional rebates that can be earned in 2015 using existing FY 2015-16 funding. CEO and ISD are working together to develop a purchasing and funding plan for maximizing 2016 rebates

using FY 2015-16 and FY 2016-17 funding. Final details of this plan are contingent on the number of qualifying purchases the County is able to complete during 2015.

Conclusion

Our office is requesting an extension to January 29, 2016 to submit a complete report that includes the purchasing and funding plan for maximizing "clean car" rebates for 2016 using 2015-16 and 2016-17 funding. The report will also provide an update on the County's progress in maximizing rebates for 2015.

If you have any questions regarding this request, please contact Jim Jones of my staff at (213) 974-8355, or Dave Chittenden of ISD at (323) 267-2103.

SAH:JJ:SK
DC:JS:MN:KS

c: Executive Office, Board of Supervisors
 County Counsel
 Internal Services Department